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East Europe Report

ECONOMIC AND INDUSTRIAL AFFAIRS

No. 2173

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PROBLEMS OF LABOR FORCE REALLOCATION, RESTRUCTURING DISCUSSED

East Berlin TRIBUENE in German 29 May 81 p 5

[Interview by Manfred Strzeletz with Prof Dr Otto Reinhold, member, SED Central Committee; rector, SED Central Committee's Academy of Social Sciences: "An Altogether Very Courageous Resolution; Or, What Is New About a Supposedly Old Story--Continuation of the Main Task Is the Best Demonstration of the Continuity of SED Policy"]

[Text] Only a few weeks ago, on 21 April, we commemorated the 35th anniversary of the existence of the Socialist Unity Party of Germany, the party of the German working class, which had put together a program document with the goal of establishing a socialist social order. A unified revolutionary process followed, during which the transition was made from the antifascist-democratic upheaval to the socialist revolution. At the present time we are shaping in our republic a developed socialist society and in this manner we are creating fundamental prerequisites for the gradual transition to communism. This strategy was continued by the 10th SED Congress; it will require our attention during the next few years. Continuity and consistence for 35 years since the establishment of the SED, clear goals for the future course. The last item, in particular, was the topic of our discussion with Prof Dr Otto Reinhold, member of the SED Central Committee and delegate at the 10th SED Congress.

[Question] The 10th SED Congress was able to present an outstanding balance of our development. What are the reasons for the good results of the second half of the 1970's, in other words, the period between the Ninth and the 10th SED Congress?

[Answer] If we wanted to use a common denominator for everything, we might say that at the end of the 1970's and the beginning of the 1980's we succeeded in making better use of the advantages, the possibilities and the motivating forces of socialism. But let us look at some of the details. The SED and the workers were working together to prepare a clear concept for overcoming new problems.

They succeeded in getting our entire society ready to deal with scientific-technical progress and the necessary increase in effectiveness.

Because of the situation that had emerged at the end of the 1970's, the enemies of socialism speculated that it would not be possible to continue the policy of the main task, the unity of economic and social policies. Indeed, it was not easy to make a decision. Nevertheless, our party developed another concept for dealing with these speculations, which was not to give in but accept the challenge to formulate the necessary terms and new tasks and to fight for their fulfillment.

[Question] But what are the prerequisites?

[Answer] We have at our disposal vast intellectual and material capacities, we possess a significant educational and scientific potential, a capable material-technical base. Another contributing factor is the close cooperation with the Soviet Union and the other socialist countries. All these things, if they are used properly, turn into a source of great capabilities and significant economic growth.

Of no less importance is the fact that during the 1970's workers found out that any increase in productivity does in one way or another improve their working and living conditions, that good work benefits the worker himself. By building on this concept, we succeeded in developing an extensive mass initiative to concentrate competition on those areas that today are the greatest source of increased productivity. In the process, labor union activities played an extraordinarily big role.

[Question] What are the characteristics of the continuing policies of the party?

[Answer] They are evident in the resolution of the 10th SED Congress, which states that the policies of the main task are to be continued during the 1980's as well. Some will be saying that this has been done for years. But that is only partially true. The new element, and we can certainly call it a courageous endeavor, consists of continuing these policies in spite of big changes. For that reason, I think, this resolution is not of any less strategic significance than the one that was made during the Eighth SED Congress and which dealt with the transition to the policies of the main task or the resolutions of the Ninth SED Congress which were incorporated in the SED program. Of course, this continuation is only possible if, from time to time, new conditions are considered and overcome.

[Question] What are some of the major changes?

[Answer] Essentially, extensive growth conditions in our republic have been exhausted; from now on quantitative growth is only possible by using qualitative growth factors. On the outside, the international situation has become more tense; furthermore, we were also affected by changes on the world market, above all, high prices for raw materials and fuel. Thanks to our concept, however, we will be able to overcome the problems that lie before us and continue to follow the policies of our main task.

[Question] Is there not a certain risk involved for the party?

[Answer] That may be so, but what policy is without risk? Anyway, scientific analyses as well as worker activities have shown that it is possible to overcome problems. Nevertheless, the SED never left any doubt that the demands placed on society and the individual are high, that the problems that will have to be solved are complicated and difficult. At the same time, however, the SED is also convinced that we have the ability for it.

[Question] According to information released during the party congress, the GDR succeeded in achieving a dynamic increase in economic productivity. It occurred in spite of the current economic conditions in the world, many of which have been unfavorable for us for some time. At what price did we accomplish this?

[Answer] There were and are changes that are unfavorable, but there are also those that are favorable for us. We created for ourselves an efficient material-technical foundation, an extensive scientific potential. Our capabilities increased to use them more efficiently. The problem is that we have to use the favorable conditions in such a manner that we can compensate for unfavorable changes. The results of party congress preparations show and the resolutions of the party congress come to the conclusion that these opportunities must be fully utilized.

We need an annual increase in the national income of approximately 5 to 5.5 percent. But we can no longer achieve this quantitative growth through additional raw materials, energy and labor but only through more efficient use of qualitative factors. Many combines and enterprises have already done this as proof that it can be done.

[Question] During the last 5 years, however, we have also reduced some of our production targets. Does that mean that we had to retrench after all?

[Answer] In some areas we actually did reduce our goals. To give you an example: Originally we wanted to import and process more petroleum than is presently proposed in our five-year plan. To be sure, we are producing more by refining our current stockpiles to a higher degree and by splitting petroleum more profoundly. It also demonstrates our energy policy which seeks to replace expensive petroleum wherever possible with domestic raw materials--brown coal. Similar things are taking place in other areas of our economy.

This strategy causes a significant change in the structure of our economy. Microelectronics, computer and robotics technology were developed to a much greater extent than had been planned, other areas were reduced. But also within the individual areas there will be many changes. Chemistry, for instance, has to date been primarily concerned with the lower processing steps of chemical products. Now we are establishing a course which will be directed at refining the products to a considerably higher degree and, as a consequence, the structure of the chemical industry will be changed. On one hand we are accelerating development, on the other hand we are reducing it. As a matter of fact, there are even cuts. If you wish, it is the process we are using to adapt ourselves to changing conditions that develop.

[Question] The leading role of the SED was apparent during the party congress, which established the goals for future years. But how can it be realized during an ordinary working day?

[Answer] Certainly, the preparation of an appropriate strategy is a crucial element of the leading role of the party. It is of no value, however, until the effort succeeds to convince everybody of its rightfulness and win them for its realization. It is therefore a decisive matter to draw the appropriate conclusions in enterprises and combines. In this respect tremendous work has been done by the SED in conjunction with labor unions and other social organizations. Important measures had already been taken during the preparation for the party congress. A characteristic example was the formation and reorganization of combines and the fact that they were given greater responsibility for the reproduction process in their areas.

The goal is that every combine creates a clear concept for its area. It is not possible without comprehensive democratic discussion on socialist competition, the renewal movement and other measures that create the prerequisites for participation by everybody in one form or another in order to realize this concept.

[Question] Competition is unequivocally concerned with hard economic goals. In what way, however, is it also related to consciousness?

[Answer] These hard economic goals can only be achieved if prerequisites are established in other areas of social life and other social processes. One of the most important ones is the development of consciousness. I would only like to point out a few facts:

The party congress clearly established that economic growth is absolutely necessary, but it also stated why. It is necessary for many measures in the area of social policies, the increase in the material and intellectual standard of life. Essentially it is an ideological question.

Our strategy takes for granted that everybody cooperates actively and creatively, but that requires the right attitude about work. An excavator from Senftenberg spoke during the party congress. The equipment which he operates costs M 46 million. Anyway, whether he uses the excavating machine effectively depends essentially on his attitude toward his work, his consciousness. The party congress emphasized the importance of science and technology. The relationship to science, to scientists becomes the central question, and it depends on consciousness too.

[Question] Putting scientific-technical progress into practice is in many respects not without problems, right?

[Answer] Quite aside from the fact that a clear concept is necessary, that a firm alliance between the working class and the intelligentsia is important, the use of new technologies, procedures, of microelectronics, robots and other factors demands that outdated techniques and technologies be eliminated and old habits be discarded. Many old ways are deeply rooted and tough. To combat them requires courage, steadfastness and a high level of consciousness.

Finally, it must be made clear that the achievement of our goals carries enormous international weight and contributes to the political and social stability of the GDR which, in turn, is of utmost significance on the borders of NATO. At any rate, it is also an important ideological question. Without any reservations, it can certainly be said that higher economic tasks can only be mastered if the effort is combined with a higher level of consciousness.

[Question] During the party congress there was much praise for the work and effectiveness of labor unions. Special recognition was given to the ideological work. What will be the responsibilities of the Free German Labor Union Federation during the 1980's?

[Answer] It was said that preparations for the 10th SED Congress represented the biggest mass initiative in the history of the GDR, and the Free German Labor Union Federation made a decisive contribution. With respect to the ideological demands of the 1980's, I believe that these questions will move into the foreground. First of all, it must be made clear that life can only continue to improve and the policies of the main task can only be realized through work, through increased productivity in industry, through improved efficiency.

It must be recognized that scientific-technical progress is the most important source for increasing productivity. Certainly, any kind of improvement of work is important; nevertheless, during the 1980's it will be necessary to introduce fundamental changes. For instance, we want to install between 40,000 and 45,000 robots and use microelectronics extensively. In my opinion it is of primary importance that it is clearly understood that the solution of these tasks represents a decisive prerequisite for the continuation of the main task.

Second: Scientific-technical progress in the GDR does not mean unemployment or social conflicts. That does not mean, however, that there are no social problems connected with it. Microelectronics, for instance, will in many areas create changes in work content and the manner and characteristics of work. There will be new demands on technological discipline and quality. The release of workers could require a change from one collective to another or even a transfer to another plant. Considerable effort is required to solve these problems in a manner that is consistent with socialism.

Finally, third: Bourgeois ideologists are spreading the idea that the world of rationality--as produced by scientific-technical progress--requires certain compensations provided by something irrational, religiousness or similar things. Naturally, as Marxist-Leninists we reject this view. Nevertheless, we can only meet the high demands made on us by scientific-technical progress if the intellectual-cultural level is raised simultaneously, which is possible through efforts in many areas; the more the scientific-technical development advances, the more weight this realm will carry in our lives and, in my opinion, it will also add another focal point to the activities of labor unions.

[Question] During the 10th SED Congress discussion also touched on the fact that social progress is becoming more and more dependent on the mastery of science. Does this not make it necessary to lend more weight to the steadily increasing importance of the intelligentsia in addition to the working class?

[Answer] First of all, it has to be acknowledged that the proportion and the importance of the intelligentsia is increasing. At the present time, 185 out of 1,000 GDR citizens graduated from college or a technical school. The proportion will increase during the next few years. In sociologic research we are already assuming that before the turn of the century approximately 25 percent of all employees will belong to the intelligentsia.

This does not mean, however, that the leading role of the working class will be diminished or reduced. There will be no changes in those factors that make the working class the leading force, their crucial position in production, for instance, or their connection with the party. But among these factors is always the alliance with the intelligentsia which, however, must be shaped in accordance with the conditions of scientific-technical progress. Nevertheless, one thing will certainly have to be taken into consideration, which is the fact that the largest percentage of the intelligentsia comes from the working class; either they themselves or their parents were workers.

The decisive aspect as far as we are concerned is the fact that the growth of the intelligentsia is related to a closer cooperation between the working class and the intelligentsia. It is caused by substantial changes in physical and mental work, by the fact that in many areas the proportion of mental work is increasing and heavy physical labor is being reduced. But also the work of the intelligentsia is changing; in many areas it is organizing production directly. Work places that were formerly reserved for laborers are today occupied by engineers and certified engineers. All these things lead to an ever increasing cooperation as well as a certain change-over of individual groups of the intelligentsia to the working class. The reverse process can also be expected in the near future. There are signs that a similar process is also beginning to take place in agriculture. These two processes create the prerequisites for the elimination of essential differences between the two groups, prerequisites for the gradual development of a classless society.

[Question] Is the qualification as a skilled worker still adequate to enter the 1980's with a good conscience?

[Answer] The skilled worker will certainly remain the central figure in our economy, but there will be considerable changes in the demands that will be placed on a skilled worker during the course of the 1980's. The skilled worker of 1985 will no longer be the same as the one at the end of the 1970's. Again I am referring to microelectronics. It changes many working conditions, it requires new approaches to certain technological processes. There has already been a great deal of discussion about the question whether changes should be made in our training of skilled laborers and the structures of skilled labor. The general view is that a change in the basic structure is not necessary, at least not during the next few years. The specific requirements of the individual will certainly change considerably. It is extraordinarily important to make preparations for these changes. We need workers who are very much involved in the adoption of new techniques. It requires a certain ideological attitude, the willingness to fight for these new things and to spread them to many areas.

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ROUNDTABLE DISCUSSION SUPPORTS DISSOLUTION OF LARGE ENTERPRISES

Budapest NEPSZABADSAG in Hungarian 2 Aug 81 p 5

[Roundtable discussion with Gyula Dianovszki, director of the Salgotarjan Iron Works and Stove Factory, Matyas Halbritter, chief engineer at the Gyor Cookie and Wafer Factory, Nandor Nemeslaki, director of the Aron Gabor Machine Factory, Mrs Kalman Tompos, vice director of the Kispest Textile Factory, and Janos Bokor, chief of main department at the Ministry of Finances and secretary of the interministerial committee. Our editorial office was represented by Katalin Bossanyi: "Of Autonomous Enterprises' First Experiences"]

[Text] What was the justification for dissolution? How are the conditions created for autonomous operation? Is it possible to swim in deep water without a life saver? These were the topics of our roundtable discussion.

They Are Not Afraid of Deep Water

[NEPSZABADSAG] In your own case, what was the justification for breaking away from the large enterprise? How did you find out about the decision and what did the workers think of this step?

[Dianovszki] We broke away from the Lampart Enamel Works and, I can say, to the satisfaction of all concerned. For this large enterprise was not held together by anything except its name. The factories had their autonomous profiles. We did not cooperate with each other. Nor did we enjoy the benefits of greater or faster development possibilities resulting from large enterprise organization. For the Enamel Works was a poor enterprise, always running after demands, always starting behind time with development projects. As an example, I will mention only our case. The development of coal firing furnaces and stoves will bear fruit at Salgotarjan only this year although, because of the well-known energy problems, this was needed already 2 or 3 years ago. We had and have conceptions to make up for the lag, we are not afraid of swimming in deep water. In the interests of the success of further organizational changes, I do not want to conceal that it was only last November that we learned that we could operate independently beginning with 1 January of this year. And this is very little time to make the necessary preparations for the change.

[Halbritter] The Hungarian Confectionary Industry broke up last year into autonomous enterprises on the basis of a central decision. At our place, the

reaction to the news was mixed, for our factory, founded in 1900, is so obsolete that actually the baking powder is the only thing holding together the aged buildings and production lines. Reconstruction has been postponed for years, only the manufacture of cikoria has been started. All of this is a huge disadvantage at the start. I support autonomy, however, for up until now we have only been able to blame the higherups if we disliked something; on the other hand, from now on it depends on us how to implement our ideas.

[Nemeslaki] We broke away from the United Incandescent where we transferred in the early 1970's from the ex Food Industrial Equipment and Machine Manufacturing Enterprise. The old traditional Aron Gabor Machine Factory was constantly being reorganized in the last few decades to the detriment of its traditional profile. No special justification was needed at this time for the break. The truth is that there were no good industrial policy arguments for the merger to begin with. And without trying to offend United Incandescent, I must mention that our inheritance is still rather meager: our profile is heterogeneous, most of it cannot be manufactured profitably. We were given the assignment to stand on our own feet independently. I am confident that we will succeed, for almost 130 years of traditions oblige us.

[Mrs Tompos] Earlier, the Kispest Textile Factory was an autonomous enterprise with an entire vertical profile, processing cotton into ready-to-wear outer garments, and I will not conceal that ever since 1962, when the Cotton Pressing Enterprise was established, many people questioned the economic and market benefits of the merger. The efforts to become autonomous were strengthened in 1978. The Cotton Pressing Enterprise was economically extremely weak at that time and even the central authorities began to urge for the problems to be solved faster through organizational changes, i.e., through the establishment of smaller and more flexible enterprises. The decision was postponed, however. The higher authorities were dealing only with the management of the large enterprise, so the preparation time allotted was not long enough for a thorough job; this put us in a very difficult position. We lost our self-confidence and evidently the management lost it too. At the end, we learned only on 22 December that we would be severing our ties with the Cotton Pressing Enterprise beginning in January.

[Bokor] One of the lessons of the organizational changes to be learned is that it is still unclear how much time is optimally needed between the times of the decision and the [actual] break for the preparation and information gathering. If too little time is given it is evident that the change, which is never without any problems, will be even more difficult; if the time is too long, an unnecessary undecisiveness will result. Indeed, there are instances where the waiting period of several months was used by the parent enterprise to "strip down" its factory unit even more and--because of self-justification or prestige?--to weaken the chances of becoming autonomous. However, in the case of Kispest Textile [Kistext], the point is not this. For it was instrumental in the postponement of decision making that the organizational inspection coincided with a more general economic reorganization of the large enterprise. However, the decision to sever ties was already made in the middle of last year. It is th earlier supervisory branch ministry's fault that the interested parties were not informed of this in time.

Various Cases of Getting Started

[NEPSZABADSAG] After the organizational decision is made, legal separation is relatively fast and simple. It is much more difficult to create the conditions for the everyday independent operation. How did you begin, and how did the central authorities and the parent enterprise help you?

[Dianovszki] Earlier, only our product developing apparatus was strong but we had absolutely no planning, pricing and marketing specialists needed for an independent operation. Fortunately, we were able to hire a young and highly trained economist for the position of economic director, and he was fast in organizing his small but efficient team. This might be decisive in our further development, for we would like to put our market policy and budget management on an entirely new basis. Up until now we did not even know at what price our products were commanding, we were not able to look into the large enterprise's marketing policies, and we did not know the reasons for the losses either. Now, however, we feel market factors directly. With regard to the parent enterprise, the division of assets took quite a long time, the final balance has just recently been finished. It is still unclear how the burden of paying interests on earlier loans should be divided. In these questions there are still quite a few points to be resolved.

[Halbritter] We should pay more attention to the fact that the initial chances of the enterprises are very different. Our gr'evance is that we were number one for years in the work-competition between the Hungarian Confectionary Industry's enterprises (this was the "substitute" for eigen-accounting and direct interest in profit), indeed, we even won it recently, but our development possibilities were not in proportion to our output. Now, on the other hand, we are standing in the middle of an expensive and unfinished investment project which we did not support to begin with. We wanted instead to increase our production of flour goods (cookies, wafers, tea biscuits, etc.) but we were not part of the decision making at that time. Because of socicpolitical reasons, our prices are low and we still do not have enough profits for both making the payments on previously and centrally obtained loans and finishing the investment project.

[Nemeslaki] In our opinion, too, the circumstances are more important than the division of assets. We can prove, for instance, that earlier Incandescent had sold half of the factory plant but it was not we who received the money and that it was the central office which received the revenues for work done by us. But since a foundry investment project is still in progress, we must carry all of its burdens. The profit sharing and investment costs are out of proportion--to our disadvantage. We want to build an autonomous enterprise organization the simplest way. We do not have any main departments, there will be no more hierarchical organization: the tasks, incentives and responsibilities will be tailor-made for each person.

[Mrs Tompos] From a legal and financial aspect, indeed, from the aspect of separating the quite complex production obligations and marketing relations, we were able to establish the necessary autonomy--and this is acknowledged even by outsiders. This is due mainly to the fact that the Cotton Pressing Enterprise

gave us an adequately experienced team of executives. A lot of good will and encouragement was demonstrated on the part of the central authorities. For instance, the bank gave us liquidity and bridging credit backing during the transition period and the well-balanced everyday management. It is a concern, however, that our loan application for our spinnery has not yet been approved. So much the more because our conception was supported by every authority, our loan application meets all national economic requirements and, in addition, its implementation would make it possible to obtain a significant amount of imported yarn. Actually, we did not ask for any special consideration, only for speedy approval. Now we are behind even our lagging original plans of transition. It seems that in our case the biggest problems are always protraction in decision making.

[Bokor] According to the decrees, those who have the assets and use the finished investment project must continue to pay back the loans. Let us look at it this way: this is the price of autonomy. Sharing always has problems and we must try to come up with rational compromises that are mutually acceptable. Everyone was prepared to deal with the possible initial tensions resulting from inherited problems and limited possibilities for development, although the latter is usually a problem even in enterprises which "stayed in one piece." The only question is whether the solution to these problems can be found faster in large enterprise organizations or whether it is precisely the autonomy that in time might find an efficient way to deal with them.

Higher Than Average Risk

[NEPSZABADSAG] Although very little time has passed since this new autonomy, it has been long enough to talk about the initial experiences and, based on them, about the stabilization of management, further objectives and the possibilities for competition.

[Dianovszki] We inherited significant losses from the Enamel Works and we have been able, already this year, to reduce these--just as a result of the collective's freed up energy. We will begin next year with a large-scale production of coal-firing furnaces and stoves. We will make 200,000 by 1985. At the same time, we are updating our other products and, where possible, we are going to meet the market [demands]. For instance, our planned domestic production for this year was decided by meeting with the domestic trade enterprises, asking them to fill out test forms and thus we could commit ourselves to a steady supply according to the demand of the various areas. Regarding our exports, this was the area where most of our losses have occurred. Not because our electric stoves are not up-to-date but because there were so many "middlemen" between us and the customer that the prices could not cover the costs. This is why we changed our strategy. In addition to the joint West German-Hungarian enterprise, we are searching for other marketing possibilities. Thus we hope that our export profits will increase and, as a result, our domestic profits will also increase without disregarding the regulations.

[Halbritter] Despite our great difficulties, our hope is not only external intervention. True, we have worked out--to be realistic six different versions--

our state loan application for the reconstruction of the production of flour products; it will be reviewed, no doubt, according to the national economy's capacity. Of course, in the meantime we are not just sitting and waiting. We are expanding the scope of our external cooperative and subcontracting partners. We are cooperating in packing with secondary cooperative industries and council enterprises, i.e., we are leasing them simple machines which are unprofitable to use within our factory but which can be used by them to make profit in confectionary production. Thus we will be able to increase our production this year by 12 to 13 percent. This will not eliminate but will at least reduce the lag.

[Nemeslaki] We began with "cleaning our profile." For we cannot go back to the times of "brass cannons." Our present foundry development plan creates an excellent basis for the elimination of unprofitable castings and the introduction of products for which there is a longer range demand. This is nothing else but the production of brake drums for passenger cars and trucks--which we have already started. This way we will not have a loss this year either. As to machine production, we are going to have only three profiles instead of the earlier mixed-up profiles; for instance, we signed a contract with the Machine Industry Technological Institute. We would make the prototypes of their designs here, and we will also offer to start mass production if there are buyers for them. In addition, we are expanding our primary contracting and repairing capacity, using the knowledge and enterprising spirit of our existing team. I think that the creation of a new and competitive profile at the renowned Aron Gabor entails higher-than-average risks but if we succeed, it will bring profits both for us and for the national economy.

[Mrs Tompos] We have worked out a 3-year stabilization program for the Sixth Five-Year Plan during which we want to eliminate, by ourselves, the inherited disadvantages. Part of this is the already mentioned credit application which is supposed to coordinate our vertical profiles. We want to increase our production flexibility and profitability through a rapid change of products, quality improvement and market research. We have a great need for this, since our area is perhaps the most competitive. In addition, our greatest "opponent" at home is our ex-parent enterprise, the Cotton Pressing Enterprise. Although we are turning out profits at present, they are very modest. We must change this. Our export profits are expected to increase within a short time through a better selection of capitalist exports and better market research. At home, we are going to change to smaller scale production and to the manufacture and faster service of a wider variety of textiles. These efforts make it possible for us to somewhat increase our profits.

[Bokor] The government established last year an interministerial committee to modernize enterprise organization. So far we have analyzed the situation in 60 large management units and recommended organizational changes in 33 of them. Through the decentralization, 18 trusts and large enterprises will be dissolved and 123 new and autonomous enterprises will be established. The efforts of the four enterprises present here corroborate our experience--which, incidentally, we reported recently to the Council of Ministers--that the measures taken to modernize enterprise organizations proved to be right, the autonomous enterprises

are able to stand on their own feet. Indeed--and this has been demonstrated with several illustrative examples during our present talk--by breaking away from the large enterprises, they are proving to be much more flexible and initiative-taking by exploring their resources faster than expected and drawing dividends from their spirit of enterprise which up until now had been pushed into the background for various reasons.

I think it is also noteworthy that the Salgotarjan Iron Works and Stove Factory and the Aron Gabor Machine Factory were able to reduce their losses by themselves and in such a short time. Again, this corroborates our experience that the new autonomous enterprises' initial stabilization of management does not need special regulations and benefits. On the other hand, they may need help in the form of rewriting developmental credits and, in case of new investments, a more limited use of their own resources. However, this will require individual consideration. For it is evident that if we expect the enterprises to be more flexible, the central authorities must also be more flexible. On the other hand, I find it surprising that the parent enterprises are not giving more help to their "children" as they are taking their first independent steps. Indeed, we can sometimes see thwarting instead.

They Can Stand on Their Own Feet

[NEPSZABADSAG] We have just heard about respectable efforts (and we can see these at other enterprises as well) to cope with the ever stricter requirements of management. The chances of the brand-new autonomous enterprises are not diminished by the fact that they must learn how to swim in the deep water when--to remain with the analogy--there is a storm and when even those enterprises which have much more experience in management are crying for help?

[Bokor] I agree that whoever can show results in today's difficult world economic situation--be that an old autonomous enterprise or one which has just been "thrown into the deep water"--deserves respect and recognition. I do not believe, however, that the organizational changes cause further difficulties for the enterprises. On the contrary: the reason why the government decided now to change the organizational structure is the difficult economic situation when it expected precisely the more flexible and more market-oriented enterprise organizations to help ease the situation. The need for modernizing the enterprise and management organization has been apparent for some time, for it was clear that of the three most important elements of economic management (planning, regulation and organization), it was precisely the organization of some trusts and large enterprises which stood in the way of more up-to-date organizational methods. All of this played a key role in the fact that our economy has not always been able to respond to changes in the world market as rapidly as it would have been desirable. This is why the organizational revisions that began last year, such as the establishment of smaller and more flexible enterprises and the modernization of the existing large enterprises' internal organization must be a process, not just a one-time campaign. The same way as our methods of planning and regulation must be adapted to the changing situations, this is also true with regard to enterprise organizations. But both the management organs and the enterprises in question must play from now on a much larger role in this: they must show more initiative and a larger field of action.

9414
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EMPLOYERS' ROLE IN OCCUPATIONAL REHABILITATION REEXAMINED

Budapest FIGYELO in Hungarian 5 Aug 81 p 2

[Article by Dr Ilona Gere: "Rehabilitation. Good Intentions Are Not Enough"]

[Text] The goal of occupational rehabilitation is twofold: First, to create conditions under which people with altered capacity to work can be fully productive, thus enabling them as much as possible to view themselves as complete individuals when it comes to performing their jobs. Secondly, to do this in such a way so that their employment does not force us to give up efficiency, either. This is not an easy task, yet it is one which must be solved at all cost, especially now when our economy is faced with efficiency requirements which are even more demanding than before. This may have a significant effect on occupational rehabilitation-related demands, as well as on the activity itself. Under these circumstances we can hardly require our enterprises to live up to their obligations as determined in 1967, nor can we enforce this in the future without reexamining the matter and making the necessary corrections. This can only be done after all the new possibilities and potentials offered by the present course of our economic development have been fully explored.

It was, for the most part, the shortage of manpower which motivated the basic idea behind Decree No 1 of 1967 on rehabilitation, which assumed that enterprises needed to reemploy workers with altered capacity to work. During the extensive period of economic development the primary method used by enterprises trying to solve their manpower problems was to set up factory units and enterprise offices in the country. The question of modernizing internal manpower reserves--including workers with altered capacity to work--was never discussed in detail.

During the present, intensive period of economic development, however, when our fundamental interests dictate that we strive for efficiency, we must try hard to explore and effectively utilize our internal reserves. At first glance it may seem that this economic situation should have a definitely positive effect on the employment of people with altered capacity to work. This is because under the present circumstances enterprises cannot afford to employ their workers in ways which are not in full harmony with their abilities. Efficient personnel management, however, leads to new problems, for in certain areas it may create manpower surpluses. On the one hand, there is hope, that as a result of pressures for more efficient employment practices, those workers with limited

capacity to work who are presently on the payrolls can be employed in positions which are in accordance with their abilities, at the same time, however, their employment opportunities will gradually decrease. (Assuming that the orders presently in force will continue to remain in effect.)

In light of these facts, our most important task is to clarify the role of our enterprises in the area of rehabilitation work, that is, in the employment of workers with altered capacity to work. Is it realistic of us to expect efficient management--that is, maximum performance in addition optimum personnel management--of our enterprises, while at the same time demanding that they employ workers with altered capacity to work, reminding them of the humanitarian obligations of enterprise management?

The person who is unable to live up to the requirements of his original position following his illness or injury, yet is still able to perform on the same level with his healthy colleagues working in the same line of work, doing the same job in a different area of the enterprise--without requiring any changes to be made at all--starts out with the same chances as a healthy worker, as far as the enterprise's manpower management is concerned. (Here for the moment we are going to disregard certain attitude problems, such as unfounded prejudices toward all people with health handicaps.) In cases where the only way a person with limited capacity to work can achieve the performance level of his healthy colleagues is with the help of some kind of intervention (i.e., work-place adaptation, retraining, etc.), and where his rehabilitation is not conducted during the period he is on sick leave, or disability-pension leave, the enterprise must suffer the loss of idle time, meaning reduced or no performance. If this happens at a time when there is no manpower shortage and when healthy people are also applying for a given position, can we--knowing the efficiency requirements facing us--pass judgment over an enterprise which decides to select the healthy applicant? I feel that under such circumstances we should not leave the decision up to the humanitarian behavior of the enterprise, but instead we should try to find a format that would ensure the employment of workers with limited capacity to work. We need to examine what kind of incentives could be introduced to help us achieve this goal; whether there is even a basis for expecting such incentives to be effective, and if it is necessary at all to find ways to make their employment mandatory (i.e., by introducing a quota system).

Finally, there are those who even after going through the best possible rehabilitation program are unable to perform with full efficiency and on the same level with their healthy colleagues within the enterprise's sphere of activities. These include people who, while in a given field are capable of performing the same tasks as their healthy counterparts, are unable, for example, to work 8 hours straight through, or find the enterprise's work pace overly strenuous. In such cases enterprises are often forced to pay low wages, while the person is struggling to achieve results which are beyond his ability, or is constantly trying to catch up.

Under such circumstances it does not make much sense to try to force rehabilitation within the enterprises. Other solutions must be found to employ these people. Solutions which would enable them to continue performing socially useful

work, while their employers would not be constantly pressured by efficiency requirements. For we know that working places which employ large numbers of workers with highly diminished capacity to work are usually not profitable. But can we measure everything with the yardstick of efficiency? Shouldn't humanitarianism carry the same weight in our socialist society as efficient management? Isn't it inhumane and immoral to include these places among those enterprises and cooperatives which need to improve the efficiency of their management, thereby--as it has been shown in several instances--sentencing them to slow death?

One final thought: Can we be certain in all cases that it is the physiological characteristics of a person which make him unable to perform a given task? Isn't it possible that there are certain jobs that put pressures on the human body which even the healthiest person cannot endure without some damage? Who is responsible in such cases? Our society? The rate of our economic development? It is true that recently there has been a drop in the number of "classic" industrial accidents and work-related injuries, but couldn't we consider some of those who have become disabled due to excessive pressures victims of industrial accidents? Not to mention a whole line of irresponsible and inhumane acts which the "little guy" who is suffering their consequences could never prove the enterprise is responsible for (i.e., a decision by an enterprise to purchase an equipment which has the potential to cause acoustic trauma and not buy a noise filter for it to save money).

These problems give rise to a whole line of new questions (i.e., where does the responsibility of the individual end; where does the responsibility of the enterprise and our society begin; when and in what ways is an enterprise obligated to take care of its employees, etc.) on which we can no longer delay taking an unequivocal stand.

9379
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NEED FOR RATIONALITY IN ENERGY MANAGEMENT DISCUSSED

Budapest NEPSZABADSAG in Hungarian 6 Aug 81 p 3

[Article by Istvan Papp, chief of National Energy Management Authority: "A More Rational Energy Management"]

[Text] The external and internal conditions for the national economy's energy supply have changed significantly in the last decade. Among other things, the world market price of crude oil increased ten-fold, and the specific investment costs for energy development had a four or five-fold increase. At the same time, our domestic energy supplies can satisfy only about half of our energy needs. And since these can be increased very little because of our natural characteristics, our increased energy consumption can be satisfied only through imports which are more and more expensive and less and less available.

Consequently, an efficient use of energy is a basic econopolitical question. The burdens of energy supply can be diminished only if the rate of increase in the use of energy slows down and, as a result, energy consumption per each unit of national revenues decreases, and if, within that, the use of crude oil, the most expensive source of energy, is significantly decreased.

These objectives brought about significant changes in the requirements concerning energy management. For in the decades that were considered the age of cheap energy, our energy management was characterized by the fact that a continuous supply was the main concern, cost was deemed unimportant. At the same time, the 1973-1974 oil price explosion found us in a period (we were about half way through the implementation of a hydrocarbon program which had a late start in comparison with the developed nations) when crude oil played an increasing role in our economy. However, there was no intensive oil refining (such as cracking which yields gasoline and diesel fuel from heating fuel) and thus we used too much crude oil for fueling.

The Initial Steps

The most important task, then, was the correction of these proportions, in addition to the halting of waste and the introduction of a rational energy management. However, this process began later than it would have been desirable and the effects of the initial measures taken to rationalize energy management became apparent only in 1979. And although new trends began to unfold in 1980, these were still only the first steps.

The intensification of the favorable trends and the speeding-up of the process was served by the Sixth Five-Year Plan's government program of energy management which prescribed the conservation of energy in the amount that is equivalent to 1.5 million tons of crude oil, through an extensive exploration of the possibilities of conservation and through a guarantee for the necessary means.

According to the program, energy use may increase by an annual maximum of 2 percent with an average annual economic increase of 2.5 to 3 percent. Within that, the use of electricity may increase by 3.4 percent while the proportion of hydrocarbons must decrease by 5 percent. In practice, this means that there is a 0.7 percent increase in the use of energy for each unit of increase in national revenues. This corresponds with the trends in the developed industrial nations.

The implementation of the program has begun and experience shows that there are already significant results. This is also shown by this year's data on energy consumption. In the first 2 quarters, instead of an increase of 2 percent, we used 2 percent less energy than in the same period last year. Within this, we burned less crude oil and, in general, the use of crude oil and the number of products made from it decreased, and thus the imports decreased as well.

There were several factors that played a role in this. For example, industrial production did not increase as much as planned and the production structure has also changed somewhat. The industries with smaller energy needs increased their production while those with high energy needs, e.g., metallurgy, construction and the chemical industry, did not produce as much as planned. The first steps were taken in changing the structure of transportation. For example, the efficiency, and thus the proportion, of water transport has increased very rapidly. Energy use was also slowed down by the increase of the fuels' producer prices and the gasoline's consumer prices, by a mild winter, but the results of conservation and energy rationalization are also significant.

Examples To Follow

The enterprises and cooperatives took many measures to stop energy waste and to make energy management more rational. There have been many excellent initiatives taken in industry, for instance. Some enterprises began to work out the norms for the specific use of energy for energy-intensive products and technologies. The Danube Iron Works uses its own resources for the implementation of an energy rationalization project. The Hungarian Ship and Crane Factory is increasing the use of coal. The Magnesite Works is working out effective intensives to decrease energy use.

The agriculture reacted fast to the increase of fuel prices. Feed storage without drying is spreading and 29 farms are building burning equipment that uses agricultural by-products.

In addition to all of this, numerous enterprises started energy rationalization investment projects. In the first half of 1981, almost 4 billion forints worth of investments have been started at the enterprises and proposals worth about the same amount are on the drawing boards. All of this proves that the enterprises increasingly take the initiative, although at this time few proposals promise absolute energy conservation, there is more demand for state subsidy than planned and less

use of their own resources and credit. We must therefore have a stricter evaluation and selection of enterprise proposals.

The first steps in the implementation of the government program of energy management are, then, as a whole, favorable, although numerous other measures are needed for an extensive rational energy management. Considering, for example, that in 1978 we were still lagging behind the developed countries by 20 to 30 percent in the specific use of energy, there are many possibilities and tasks left in this area, which are, of course, different from industry to industry. For in the past years we have built several up-to-date and efficient factories. The cement factories using the so-called dry process, the olephine works, the PVC factory, the new aluminum oxide factories and the new artificial fertilizer plants are on a par with international standards even from the aspect of energy use. On the other hand, there is a lag in metallurgy where the unused resources that result from difficulties in marketing are hindering a more efficient specific use of energy that is too high to begin with.

A Many-Sided Task

The economy's energy-intensiveness, however, depends not only on the applied technology but also on the production structure. In many cases, we export goods that are processed very little and thus have a relatively high energy content. Such are, for instance, steel products that are rolled at high temperatures, the PVC powder, the ethylene, the aluminum block or the alfalfa flour. A further processing of these and the exporting of goods with a lower energy content could decrease the economy's energy-intensiveness.

The development of the background industry is among the possibilities that could indirectly decrease energy-intensiveness. The machine industry must play a larger role in making equipment and appliances that help saving energy. There is a need, for instance, for enough high-quality and efficient household appliances that are moderately priced, for this is the best way in which the population's use of energy can be influenced and at the same time the industry's export capacity would also be increased.

In addition to all of this--and we must come to the most important direct possibilities in energy conservation--the enterprises' energy management must be improved. It is a problem, for example, that although the enterprises have done much to make use of the obvious ways of energy conservation, the systematic examination of the losses has not reached the desirable level. We must give more support for the efforts of the enterprises, indeed, we must require these efforts, for this is the way in which we can lay the foundation for the exploration of new possibilities of rationalization.

The successful implementation of the government program of energy management and the development of a rational conservation thus requires continued efforts despite the favorable results achieved up until now. In addition to the concrete measures mentioned earlier, we must further intensify the unity of views and actions which was successfully served up to now even by the social organizations, among them the party organizations, the National Council of Trade Unions and the Federation of Technical and Scientific Associations.

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NEW LAW ON COMMUNAL ECONOMY PUBLISHED

Bucharest BULETINUL OFICIAL in Romanian Part I No 48, 9 Jul 81 pp 1-15

/Law No 4 on the Communal Economy/

/Text/ On the basis of Article 57 of the Constitution of the Socialist Republic of Romania, we hereby sign and order to be published in BULETINUL OFICIAL Law No 4 of 1 July 1981 on the Communal Economy.

Nicolae Ceausescu
President of the Socialist Republic of Romania

Bucharest 9 July 1981

Law on the Communal Economy

The RCP Program for Construction of the Fully Developed Socialist Society and for Romania's Advance Toward Communism focuses the whole task of building the new order upon the welfare and happiness of the individual and the material and cultural progress of the entire people.

Proper distribution of the means of production throughout the nation, rapid growth of the productive forces, and rapid socioeconomic development of all urban and rural communities are giving the citizens increasingly good working, housing and living conditions.

The state allocates a large part of the national income to a series of socioeconomic measures for good management of communities and increasing satisfaction of the general working and living requirements of the residents of the cities and communes of Romania.

In keeping with the rate of the communities' development and the objectives of the Uniform National Plan for Romania's Socioeconomic Development, the communal economy must be constantly perfected according to the principles of workers self-management, economic-financial self-administration and self-financing. It is also necessary to provide for the most efficient use of material and financial resources, improvement and diversification of public services, and improvement of the communities' technical-municipal equipment.

All activity in connection with the communal economy is to be directly supervised by the people's councils, who are responsible for its proper organization and performance and for involving all citizens in the solution of the public problems in the affairs of every community.

It is the patriotic duty of all citizens as owners, producers and beneficiaries of the national wealth to take an active part in the self-government of the communities wherein they live and work and in the work on technical-municipal projects, and to make a real contribution according to law to the municipal development and embellishment of all municipalities, cities and communes.

For purposes of uniform legislation for conducting and improving the communal economy and heightening the responsibility of the people's councils, communal economy units, other socialist units and the citizens, the Grand National Assembly of Romania hereby ratifies the present law.

Section I: Basic Principles

Article 1. The communal economy is conducted according to the party's and state's policy of uniform socioeconomic development of the nation's communities for purposes of rational organization, modernization, embellishment and harmonious development of all communities as well as self-government, most effective use of material and financial resources, and exploitation of local resources to improve the citizens' working, housing and living conditions in accordance with the program for raising the public's living standard.

Article 2. All communal economy activity is conducted according to the provisions of the plan for regional socioeconomic development as an integral part of the Uniform National Plan for Romania's Socioeconomic Development, with strict observance of the legally approved studies, outlines and specifications of regional and community systematization.

Article 3. Depending on the urban or rural character of the community, its size, importance and prospects of development, and its particular socioeconomic conditions, the communal economy is organized and conducted differently as follows:

a. In Bucharest municipality;

b. In the county seats and other municipalities;

c. In cities;

d. In communes.

Article 4. Communal economy projects and other technical-municipal projects are implemented in stages according to the possibilities of the national economy and with the greatest possible use of local resources, economical use of the lands, and strict obervance of the buildable limits, in accordance with the programs for the communities' socioeconomic development and with an eye to gradual disappearance of the essential differences between city and village.

Article 5. The people's councils coordinate planning and correlated implementation of all municipal projects regardless of their beneficiaries or administrators, according to law and for purposes of uniform performance of technical-municipal operations, preservation and maintenance of existing equipment in operating condition, avoidance of repeated demolition and restoration of streets and sidewalks and other lines of communication and prevention of their deterioration.

Article 6. The people's councils are responsible for the management, direction and coordination of all communal economy operations in municipalities, cities and communes and provide for organization of those operations on the principles of workers' self-management, economic-financial self-administration, and self-financing.

For purposes of consistent application of the new economic-financial mechanism to the activity of the communal economy units, the people's councils are required to take measures on behalf of efficient management and use of the material and financial resources entrusted them, strict observance of the legally provided consumption norms, reduction of material inputs and elimination of losses (especially of energy, fuels and water), and steady growth of the local budgets' incomes from communal economy activity for purposes of complete coverage of the outlays essential to the efficiency of that activity.

The material and financial resources of the communal economy units are secured by performing profitable services and economic activities for the public and socialist units and by the citizens' participation in projects and payment of the legally provided fees.

Article 7. Communal economy activity is to provide, according to law, for the supply of drinking water, local transportation, heating of dwellings and social-cultural capacities, administration and maintenance of the state-owned housing reserve, public lighting, cleaning and maintenance of streets, other lines of communication and recreational green areas, environmental protection, recycling of reusable materials, and organization and development of other activities contributing to good service to the citizens within the respective community.

Article 8. In the performance of their functions in connection with the communal economy, the people's councils concentrate all their efforts on further strengthening ties with the citizens, encouraging their initiative and participation in work on roads, straightening riverbeds, consolidating banks, installing the water supply, sewerage, green areas and places of recreation, exploiting all local resources, and other projects contributing to the good management and embellishment of the communities.

Article 9. It is the duty of the residents of municipalities, cities and communes to contribute materially and in labor, according to law, to the construction, maintenance and repair of the technical-municipal facilities and other projects in the public interest and to control, according to law, the workers' performance of communal economy operations.

The people's councils are required to organize according to law the citizens assemblies where the mayors of the communes, cities and municipalities as well as the chairmen of the executive committees of the county people's councils will submit for discussion the community development programs, reports on fulfillment of approved decisions, and measures for citizens' participation in the prompt and proper performance of municipal operations.

The people's councils organize collectives composed of workers, specialists in various activities, deputies and the best managers which, jointly with representatives of the socialist democracy and unity organizations and citizens committees, control application of the legal provisions to the communal economy.

Article 10. The following main communal economy activities are organized in Bucharest municipality, Romania's capital, in keeping with its political, social and economic importance:

a. Supply of the public and the socialist units with drinking and industrial water via the communal networks in a centralized system; sewerage and purification of used household waters and rainwater; long-range development of a modern water and sewerage network;

b. Public transportation by streetcars, trolley buses, buses and the metro, as well as transportation of freight and other goods for the public and socialist units;

c. Construction, modernization and maintenance of streets and other thoroughfares; long-range construction of a modern street and pedestrian network and a direct connection between the main residence districts, the central area, and the industrial districts;

d. Organization and rationalization of motor and pedestrian traffic; introduction of modern systems for directing traffic;

e. Heating dwellings and socioeconomic units by district heating and other heating systems; more productive exploitation of fuel and energy resources, and use of new energy sources;

f. Public lighting;

g. Administration and maintenance of the state-owned housing reserve;

h. Development of a complete network of services to the public and socialist units including laundries and chemical cleaning establishments, auto repairs, storage [coserit], domestic services etc; further modernization of service units;

i. Clearing, collecting and exploiting street and household wastes; draining places with standing water; rat and insect control;

j. Environmental protection; combatting health hazards and other pollutants;

k. Maintenance of green areas, parks, public gardens, athletic fields, places of recreation and children's playgrounds; proper use of local lakes, and development of the rest and recreation centers in the vicinity of the capital according to the approved town-planning outlines;

l. Administration of the cemeteries and the crematory according to the legal regulations.

Article 11. The People's Council of Bucharest municipality is responsible for the proper organization and operation of the communal economy, the efficient use of all resources and installations used in that activity, and provision for communal economy services and operations of better quality, for which purposes it performs the following main functions:

a. It provides for the industrial and drinking water supply in a centralized system, adequate connections between various sources of supply, quality control of the water sources at the intakes from rivers, lakes and subterranean catchments, and organization of the pumping systems and intake stations to supply water in the higher quotas set for buildings and capacities, as well as rational use of the water sources and prevention of waste and losses in the feed, distribution and consumer networks.

b. It controls the industrial and other socialist units' fulfillment of their legal obligations to procure industrial water from their own sources, recycle it, and purify the used waters.

c. It organizes motor traffic by setting rationalized routes and maintaining mobility of transportation, with priorities on the industrial areas and improvement of traffic in the peak periods. It takes measures for rational operation of the motor park and other transport means for local use, improvement of its use coefficient, strict observance of the consumption norms, and improved occupational training of personnel. It maintains correlation of public transportation with interurban, rail and air transportation.

d. It provides for street maintenance and repairs and prompt restoration of deterioration for the proper flow of motor and pedestrian traffic, as well as modernization and construction of thoroughfares according to the provisions of the town-planning outlines and with priority on those to be traveled by public transportation. It determines the places for parking and public notices.

e. It provides for heating of dwellings and socioeconomic units through development of the district heating network, the most efficient use of the other heating systems, more productive exploitation of the energy resources, and use of new energy sources. It takes measures to automate the heating plants and stations, to operate them economically, to exploit the reusable heat sources from the industrial districts, to conform to the regulation inputs of energy and fuels, to make repairs and inspections in the summer months, to conserve fuel to be used in the cold months of the year, and to interest the tenants associations and citizens in the programs to conserve energy and fuels.

f. It takes steps to provide public lighting according to the legal provisions.

g. It takes measures for proper administration and maintenance of the housing reserve and controls the citizens' observance of the legal provisions on use of dwellings and the sanitation and cleanliness of the latter, the interior yards, and the walks and green spaces pertaining to the buildings. It is responsible for administration and performance of maintenance and repairs of the state housing reserve according to the legal provisions.

h. It provides for cleaning of streets, markets and other public places, snow removal, and organization of the system for collecting street and household wastes in standardized containers and transporting and storing them, and for sorting and exploiting the reusable material resources through specialized units and centers. It takes measures for mechanization of the sanitation operations.

i. It develops and diversifies small industry and services for the public and socialist units in the communal economy.

j. It takes the legally provided environmental protection measures, organizes actions with the citizens' extensive help for the maintenance and care of the green areas, parks, public gardens, athletic fields, places of recreation, childrens' playgrounds, grounds for growing trees and flowers, lakes and rest and recreation centers in the vicinity of the capital, and takes measures to develop them in strict conformity with the legally approved town-planning outlines and specifications.

k. It sets prices and rates for communal economy activities according to law.

l. It provides according to law for substantiation and implementation of investment projects in the communal economy for purposes of public use of the facilities essential to the industrial areas and districts and the housing units in their vicinity.

m. It determines the communal economy activities performed by the people's councils of the sectors of the municipality, encouraging their initiative in implementing effective communal economy actions.

n. It performs any other legally provided functions in connection with the communal economy.

The People's Council of Bucharest Municipality is fully responsible to the residents of the municipality for the proper organization and performance of the communal economy activities.

Section III: Organization and Performance of Communal Economy Activities in Counties, Municipalities, Cities and Communes

Part 1: County People's Councils' Role in Organizing and Implementing Communal Economy Activity

Article 12. The county people's councils are responsible for all communal economy activity performed in the municipalities, cities and communes within the county, and they are required to determine the measures necessary to implement technical-municipal projects and other communal economy activities in accordance with the town planning outlines and plans, allowing for the particular conditions, urban or rural character, size, importance and developmental prospects of the communities.

Article 13. The county people's councils initiate studies and programs to develop the communal economy in correlation with the territorial-administrative units' aims for socioeconomic development and sees that all communal economy activity is included in the plans for regional socioeconomic development.

Article 14. The county people's councils are required to distribute the material and other resources provided in the plan for the communal economy activity in every municipality, city and commune, in accordance with the approved consumption norms and standards, and to take the necessary measures to institute a strict regime of economy, to lower the regulation inputs of materials, fuels and energy, to use the material resources economically, and to place new material and energy resources in economic circulation.

Article 15. In the performance of communal economy activities the county people's councils are required to intensify the use of all local raw material, material and energy resources, with special emphasis upon:

a. Water supply, based on simple systems, from rivers, water tables and other nearby sources;

b. Use of local materials to maintain dwellings, roads, bridges and footbridges, to improve unhealthy lands, to regularize watercourses, and to build and maintain dikes for protection against floods;

c. Heating dwellings by use of combustible materials resulting from forest hygiene or wastes that cannot be effectively exploited otherwise and by use of new energy sources;

d. Development of efforts to collect and exploit reusable material resources.

Article 16. The county people's councils are responsible according to law for guidance and coordination of all service activity in every municipality, city and commune and for good organization of the service units, regardless of affiliation, for purposes of efficient use of the local labor force and material resources and proper satisfaction of the public's demands.

In the course of the programs to develop services to the public, the county people's councils are required to take steps to increase the volume of communal economy services and to expand their range, in such a way that the operations will be performed at the lowest possible costs and greater profits.

Article 17. The county people's councils are required to provide for formation of the financial resources needed to completely cover the communal economy outlays for each community by developing profitable activities, ensuring collection of the communal rates and fees, and using other legally provided resources.

The county people's councils are also required to control and check the execution of the communal economy units' budgets of incomes and outlays in accordance with the plan provisions, conformity to and reduction of their planned production and operating costs, efficient use of all their resources, and performance of profitable activities that will enhance the communal economy's contribution to the incomes due the local budget.

The county people's councils set prices and rates according to law for communal economy activities conducted within the counties.

Article 18. The county people's councils are responsible for the well-organized administration and maintenance of the housing reserve, control the municipal, city and communal people's councils' fulfillment of their obligations in that respect, and check the citizens' observance of the legal provisions on hygiene and cleanliness of dwellings, outbuildings, yards, premises and streets and sidewalks in front of buildings.

Article 19. The county people's councils are required to check and control the municipal, city and communal people's councils' provision for citizens' participation in the projects concerning proper management of the communities, as well as their strict observance of the legal provisions on exercise of workers control over the performance of communal economy activities.

Part 2: Organization of Communal Economy Activities in Municipalities, Cities and Communes

A. In Municipalities

Article 20. The following main communal economy activities are organized in municipalities according to the latter's socioeconomic importance, size and degree of development:

a. Supply of industrial and drinking water through the public network, development of the network of supply from nearby sources, and sewerage and purification of used household and industrial waters and rainwater;

b. Public passenger transportation and transportation of freight and other goods for the public within the community according to the legal provisions;

c. Construction and maintenance of streets and other lines of communication and their modernization, especially of the main thoroughfares;

d. Differentiated heating of dwellings and socioeconomic units by district heating, by other systems exploiting the local possibilities and the reusable energy resources, and by use of new energy sources;

e. Public lighting;

f. Administration and maintenance of the state-owned housing reserve;

g. Services including laundries and chemical cleaning establishments, auto repairs, public baths, storage /coserit/, domestic and other services to the public and socialist units;

h. Snow removal and community sanitation, including the citizens' involvement in collecting, transporting, storing, sorting and exploiting household and street wastes as reusable resources;

i. Environmental protection and control of health hazards and any pollutants;

j. Maintenance of parks, public gardens, other green areas, places of recreation and children's playgrounds;

k. Administration of cemeteries and crematories according to the legal regulations.

B. In Cities

Article 21. In cities communal economy activities are conducted in keeping with the existing technical-municipal facilities, the number of inhabitants, the local material potentials and the developmental prospects of the community.

Article 22. The following main communal economy activities are organized in cities:

a. Drinking water supply, especially by means of simple systems for catchment from nearby sources and construction of draw wells, wells and installations for intake from local sources and for treating the water at minimum cost;

b. Evacuation of household waters and rainwater through simple local systems and purification of same;

c. Transportation of passengers and freight and other goods for the public and socialist units, ordinarily in cities and health resorts with populations over 15,000. In the other cities and health resorts transportation may be organized according to the legal provisions by the county people's councils in the light of the distances of travel, the topography of the community and the locations of the economic capacities and residence districts.

d. Public lighting;

e. Administration and maintenance of the state-owned housing reserve;

f. Maintenance, modernization and construction of streets, bridges and footbridges, particularly with stonework and use of light coverings of local materials;

g. Maintenance of services and small industry for the public and socialist units, depending on the development and characteristics of the city;

h. Priority use of local resources to heat dwellings and other socioeconomic capacities;

i. Street cleaning, snow removal and other sanitation operations;

j. Collecting, sorting, storing and exploiting reusable material resources and street and household wastes;

k. Environmental protection, improvement of unhealthy lands and consolidation of the banks of bodies of water.

The residents regularly contribute materially and in labor to the performance of communal economy operations in cities.

C. In Communes

Article 23. Residents of communes in particular directly contribute their labor to the performance of communal economy activities. The main communal economy activities that are organized and conducted in communes are as follows:

a. Procurement of drinking water, usually from draw wells, wells and catchments from nearby springs, in accordance with the standards of hygiene and protection against pollutants; evacuation of rainwater through open channels and ditches, collection of used waters in septic tanks, and other such operations, with provision for safeguarding the quality of the water table;

b. Maintenance and repair of roads, bridges and footbridges, especially by stonework, earthworks and other operations using local materials; keeping roads clean, digging and deepening ditches, snow removal, and other sanitation operations;

c. Collecting, sorting and storing reusable material resources without interference with agricultural lands;

d. Heating with local resources, branches, brush and other remnants of forest hygiene, and the reusable material and energy resources from the agricultural mechanization units or other facilities in the area;

e. Provision for public lighting;

f. Disposal of household wastes by each household, including their use as fertilizer as the case may be;

g. Consolidation of dikes, banks of bodies of water, and other protections against floods; improvement of unhealthy lands, cleaning ditches, and projects to embellish the villages;

h. Installation of communal public baths and performance of other services to the public.

Part 3: Municipal, City and Communal People's Councils' Functions in the Communal Economy

A. Municipal and City People's Councils' Functions

Article 24. The municipal and city people's councils are responsible for all communal economy activity, for which purpose they perform mainly the following functions:

a. They provide for the drinking and industrial water supply, proper maintenance and operation of the installations, prevention of waste and losses in the water networks, and exploitation of new water sources in the nearest areas, since intakes over long distances are prohibited where water tables exist.

b. They take steps to maintain the installations for sewerage and purification of used waters.

c. They control the socialist units' fulfillment of their legal obligations to procure industrial water from their own sources, to recirculate it, and to purify the used waters.

d. They provide for improvement of the use coefficient of local transport means as well as their operation according to the legal provisions.

e. They take measures to maintain, modernize and construct streets and other lines of communication under their administration. They organize motor traffic by setting rationalized traffic routes and maintaining mobility of traffic. They determine the places for parking and public notices.

f. They take measures for heating dwellings and socioeconomic units and for preparation and supply of hot water to households within the consumption norms. They see to operation of existing heating systems to full capacity, conservation of energy and fuels, and use of new energy sources.

g. They take steps to provide public lighting according to the legal provisions.

h. They take measures according to law for administration and maintenance of the housing reserve and control citizens' observance of the standards of hygiene and

cleanliness of dwellings, outbuildings, yards and premises, as well as their fulfillment of their legal obligations as tenants.

i. They take measures to implement sanitation operations and to collect and exploit street and household wastes, to recover reusable materials and energy resources, to improve swampy lands, to drain standing waters, and to control rats and insects.

j. They develop and diversify small industry and services for the public and socialist units in the communal economy.

k. They take the legally provided environmental protection measures and organize actions with the citizens' extensive help to maintain and improve green areas and places of rest and recreation under the municipalities' and cities' administration, in strict conformity with the legally approved town-planning outlines and specifications.

l. They perform any other functions provided by law in the communal economy.

B. Communal People's Councils' Functions

Article 25. The communal people's councils organize, manage and coordinate all communal economy activities in the communities composing the communes, for which purpose:

a. They submit the programs and measures essential to the good management of the communes for discussion and approval in the citizens assemblies.

b. They take steps to encourage the residents of the communes to transport crushed rock, gravel and other materials with their draft animals and to perform operations of their own to maintain and repair roads, bridges and footbridges, to clear and restore ditches, to consolidate the banks of bodies of water, to maintain the dikes for protection against floods, and other such purposes.

c. They control all citizens' fulfillment of their legal obligations for proper maintenance of dwellings, outbuildings, yards and premises and their care, cleanliness and sanitation and for maintenance and cleaning of streets, roads and ditches.

d. Jointly with the health organs they control and enforce observance of the hygienic standards in maintenance of draw wells, wells and other sources of drinking water, deposit of household wastes, drainage of residual waters, and control of rats, insects and centers of infection.

e. They mobilize the residents for forest hygiene and cleaning operations, collection of branches, and removal of stumps and other timber remnants. They see that the resulting timber is distributed among the residents for use as fuel in proportion to the labor contributed by each.

f. They help the citizens to build simple installations for use of new energy sources (solar energy, wind power, biogas and the like) and use all waterfalls for purposes of building small hydroelectric power stations.

g. They take measures to interest the residents in projects for the embellishment and good management of the communities by means of intercommunal competitions.

h. They provide for discovery and use of local resources to implement communal economy activities.

i. They collaborate with the interurban transport units of the Ministry of Transportation and Telecommunications in organizing citizens' transportation to other communities.

j. They control the punctual performance of the approved communal economy operations. They report to the citizens assemblies on the performance of communal economy activities.

Section IV: Performance of Main Communal Economy Activities

Part 1: Water Supply and Sewerage

Article 26. In communities where water supply and sewerage networks are organized, the communal economy units provide for:

a. Operation of the installations for industrial and drinking water supply (catchment, treatment, pumping, transportation, storage and distribution of water) to meet the quantitative and qualitative requirements of the public and the socialist units by priority use of local sources and use of simple systems (draw wells, wells and catchments at springs);

b. Procurement of subterranean, river or lake water and evacuation of used waters and rainwater after purification, by adopting optimal technical-economic measures for use of the supply sources, the nearest intakes and the shortest routes;

c. Avoidance of water intakes from remote sources or under uneconomic conditions;

d. Care of the areas protecting catchments, treatment installations, cisterns, pumping stations, acqueducts and other special water supply constructions. They are legally responsible for the potability of the water.

e. Correlation of new projects for water supply and development of existing capacities with projects for sewerage and purification of used waters, as well as their simultaneous implementation; development of the networks for sewerage and distribution of drinking water with emphasis upon the requirements of new housing units;

f. Construction and operation of the installations and networks for collecting, transporting, purifying and evacuating used waters and rainwater, the local sewerage systems (drains, emergency ditches, septic tanks et al.), and the baths, swimming pools and other public installations.

Article 27. The public drinking water supply has priority over any other uses of water.

The executive committees of the county and Bucharest municipal people's councils may approve the use of drinking water for other purposes if there are surpluses above the public's drinking water requirement.

Article 28. In order to make proper use of the water, the communal economy units are responsible for:

a. Rational operation of the installations according to the planned quantitative and qualitative technological parameters;

b. Maintenance of the installations and the entire water supply system in a state of regular operation, as well as the system of sewerage and purification of used waters to prevent flooding of the streets and other lines of communication;

c. Elimination of losses in the distribution networks and of waste of water by consumers.

Article 29. In order to enforce the socialist units' legal obligations for water management, the communal economy units take measures for:

a. Complete fulfillment of the industrial units' legal obligations to procure industrial water from their own sources and to purify the used waters to be discharged into the public sewerage network;

b. Regular control over the way the socialist units connected to the public networks for drinking and industrial water supply perform their tasks of rational use of water received, reduction of water consumption through its repeated use, conformity to the approved discharges, replacement of drinking water with industrial water in the production process, use of their own water sources to full capacity, and maintenance of internal installations in perfect operating condition;

c. Regular control over the way units with their own water sources meeting the standards of potability maintain them in operating condition;

d. Prohibiting evacuation into the public sewerage network of used waters with pollutant discharges or concentrations of pollutants exceeding those permitted by the technical standards or specified in the contracts concluded for those services;

e. Collaboration with the units discharging used waters into the public sewerage network in the latter's studies, research, tests and preparation of plans to determine and produce the most efficient technologies, installations, equipment and apparatus to purify used and muddy waters.

Part 2. Local Passenger and Freight Transportation

Article 30. In communities with organised local transportation of passengers, materials and freight the local transport units:

a. Study and determine the transport requirements of the public and socialist units and constantly check the changes in those requirements in order to proportion the necessary vehicle park, the maintenance and repair stations, and the requirement for manpower and spare parts.

b. Determine the routes for streetcars, trolley buses and buses and prepare their schedules in correlation with the public's requirements for adequate travel.

c. Rationalize the use of public transport means by minimizing the number of stops, increasing speeds, ensuring regular and safe operation, reducing consumption of fuels and electric power, and tightening personnel discipline.

d. Monitor and control travel of the vehicles on the routes, taking prompt steps to repair defective vehicles and installations and to clear the routes.

Article 31. On behalf of rational and efficient operation of the transport means, the local transport units are responsible for:

a. Maintenance of the vehicles and auxiliary installations in proper technical condition and improvement of the use coefficient of the motor park;

b. Cleanliness and proper appearance of the vehicles;

c. Improvement of the self-charging system in the case of public passenger transport means and control of the application of that system;

d. Observance of the approved consumption norms for fuels, lubricants and electric power, conservation of same and elimination of any waste;

e. Adequate equipment of the maintenance and repair stations for the vehicles so that they can perform prompt and efficient maintenance and repair operations.

f. Improving the effectiveness of local transportation by more productive use of the material resources, optimal travel conditions, and reduction of operating costs.

Article 32. In order to tighten discipline in local transport operations, the units are required to provide personnel with proper working conditions and training, to improve their occupational qualifications, and to enforce order and safety in motor traffic.

Local transport personnel are required to make a positive contribution to fulfillment of all the units' tasks, to maintain proper and considerate behavior toward the citizens, to properly operate and maintain the transport means, installations and other equipment for which they are responsible, to strictly observe working hours, timetables and traffic regulations, and to help conserve fuels, lubricants and electric power.

Part 3: Production and Distribution of Thermal Energy

Article 33. In the communities wherein production and distribution of thermal energy are organized, the communal economy units provide for:

a. Distribution of thermal energy produced in the thermoelectric power plants under the Ministry of Electric Power and in the units under other ministries or people's councils in order to heat dwellings, social-cultural units and other consumer units and to prepare and supply hot water for households.

The socialist units and other juristic persons may construct, according to the legal provisions, thermal energy sources for their own consumption if the communal economy units cannot fully supply them with thermal energy.

b. Limitation of the power plants burning liquid fuel, greater productivity of the installations in the heating plants, elimination of defects in the maintenance and operation of the boilers and heating networks and stations, replacement of installations with high inputs, concentration of small power plants in large ones, and gradual conversion of power plants burning hydrocarbons to coal;

c. Optimal operation, with safety and high economic effectiveness, of the installations for production and distribution of thermal energy, in order to reduce the inputs of fuels and electric power and to conform to the legally approved consumption norms;

d. Rational operation of the installations for production and distribution of thermal energy according to the operating parameters and qualitative regulation of those parameters according to the outdoor temperature in order to secure the legally provided heating temperatures;

e. Greater productivity and modernization of equipment and installations for production of thermal energy, elimination of energy losses, conservation of fuel, and expanded use of solid fuels and other energy sources;

f. Strict observance of the fuel consumption norms set for heating dwellings and preparing hot water for households, with introduction of strict discipline and elimination of any kind of waste;

g. Formation of a fuel reserve for use in the winter months out of the savings below the consumption norms made in the warm seasons of the year by interesting the tenants and citizens associations in this program.

Article 34. The communal economy units are required to perform maintenance and repair operations on the power plants, heating stations and networks for distributing thermal energy during the summer months in order to obtain optimal productivity, reduce fuel inputs, eliminate any kind of waste, and strictly conform to the approved consumption norms and for the good service and supply of the public with thermal energy.

Article 35. The communal economy units are required to expand the system of individual heating with stoves and inferior local solid fuels as well as any other local systems exploiting such fuels.

Part 4: Administration and Maintenance of the State-Owned Housing Reserve

Article 36. The people's councils administrate the state-owned housing reserve through the specialized units under them according to the provisions of Law No 5 of 1973 on Administration of the Housing Reserve and Regulation of Relations Between Landlords and Tenants.

Article 37. As beneficiaries of dwellings in the state housing reserve, the citizens are required to strictly observe the legal provisions in force concerning administration of the housing reserve and regulation of the relations between landlords and tenants.

For proper maintenance and management of dwellings, the citizens are obligated:

a. To make proper use of the components of constructions and installations as well as parts of the building in common use and its outbuildings;

b. To perform maintenance and repair operations promptly and replace the components of constructions and installations according to the legal standards in force;

c. To preserve and maintain the cleanliness and hygiene of the dwellings, internal yards and green spaces belonging to the building;

d. To pay the specified rent regularly, as well as their quotas of the costs of maintenance and repair of the parts and installations of the building that are in common use and the other costs of use of the dwellings according to the legal provisions;

e. To observe the standards of socialist coexistence and to help prevent or settle any disputes about housing.

Nonfulfillment of the tenants' legal obligations concerning use of rented dwellings in the state housing reserve entails their eviction in the cases and circumstances specified by Law No 5 of 1973 on Administration of the Housing Reserve and Regulation of Relations Between Landlords and Tenants.

Article 38. For purposes of good management of the state-owned housing reserve under the people's councils' administration, the specialized units under them provide for:

a. Punctual and proper performance of maintenance and repair operations on the fronts of buildings, the outbuildings and the pertinent components of constructions and installations for which the said units are responsible according to the legal provisions;

b. Use of housing space for its purpose with observance of the legal standards in force;

c. Guidance and support of the tenants' associations in the activities in which they participate and in good management and maintenance of the dwellings and the parts and installations in common use, according to law.

Article 39. The people's councils are responsible for the good management of the housing reserve under their administration and are required to regularly control the specialized units' performance of their tasks in this connection according to law and to take the necessary measures.

The people's councils are also required to strictly enforce the standards of public hygiene and to control the citizens' maintenance of the hygiene and cleanliness of dwellings, yards, outbuildings, premises and streets and sidewalks in front of buildings.

Part 5: Public Lighting

Article 40. The communities' public lighting is provided on the basis of the contracts concluded between the people's councils and the units of the Ministry of Electric Power according to law and differently according to the category and importance of the community.

Article 41. The people's councils are required to control strict observance of the technical standards of public lighting as regards location of the lighting installations and their regulation intensity, and to take steps to provide public lighting economically and differently for the summer and winter months, with strict observance of the legally approved consumption norms for electric power and prevention of any kind of waste.

Article 42. The people's councils are required to control the rational use of the power networks for public lighting and the operations for their maintenance, repair and modernization, as well as those to maintain the appearance and performance of the installations.

Part 6: Maintenance, Modernization and Construction of Streets, Roads and Other Communication Lines and Organization of Motor Traffic

Article 43. In the course of maintenance, construction and modernization of streets and other lines of communication, the communal economy units see that the operations are performed in strict accordance with the town-planning outlines and the construction of new capacities, on the basis of the traffic studies.

The communal economy units are also required to detect defects in the street network and to repair them as soon as possible after they occur, and to make prudent use of the cash reserves, equipment, transport means, installations and materials by adopting economic measures and technologies that can be readily implemented and utilizing local materials as far as possible.

In organizing the workloads to perform operations for construction, modernization and maintenance of the street network, it is the responsibility of the communal economy units to adopt the necessary measures to avoid blocking motor traffic.

Article 44. In organizing motor traffic within communities, the communal economy units are required to arrange for:

a. Preparation, jointly with the specialized organs, of general traffic studies in correlation with the town-planning outlines of the communities and their stages of socioeconomic development;

b. Organization of motor traffic in communities on the basis of the general traffic studies in order to provide for rationalized traffic routes and the mobility and safety of the vehicles and pedestrians by means of road improvement projects, installations to direct traffic, road signs and markers, and other installations and improvements;

c. Procurement of the technical-material base and recruitment of the specialists needed to modernize, maintain and install traffic signals and to perform other operations essential to the mobility and safety of the motor traffic in communities;

d. Construction of installations to direct traffic, road signs and markers and their maintenance in perfect working condition; improvement and modernization of traffic signals and installation, maintenance and operation of parking lots;

e. Organization of vehicle parking in communities in lots installed for the purpose, on streets and in other public spaces on the terms set by the executive committees of the county and Bucharest municipal people's councils;

f. Circulation of the traffic regulations among the citizens.

Part 7: Community Sanitation

Article 45. For purposes of organizing community sanitation, the communal economy units provide for:

a. Cleaning public thoroughfares, collecting and transporting (at the time intervals and to the places designated by the executive committees and bureaus of the people's councils) street and household wastes, others of the same category, rubbish and debris from demolitions, and neutralizing and exploiting same in accordance with the standards of hygiene and health;

b. Collecting household articles no longer needed in the public's households and other reusable material resources at the designated places or from the citizens' homes as the case may be, as well as sorting, storing and exploiting them;

c. Efficient use of equipment, materials and personnel for purposes of permanent community sanitation;

d. Immediate intervention with tools, equipment, manpower and the public's help to remove snow and restore the normal functioning of the street and road network;

e. Organizing disposal of animal carcases in communities where no specialized units have been organized;

f. Controlling insect pests in recreational areas, parks and other green spaces, ridding public places of rats, draining places with standing water and swampy lands and taking the necessary measures to prevent their formation in communities;

g. Community sanitation operations to avoid environmental pollutants.

Article 46. In the performance of community sanitation activities, the deputies and permanent commissions of the people's councils, the citizens' committees, socialist units, public and youth organizations, and tenants associations are obligated to encourage the public to help with their labor, draft animals and other resources essential to the efficiency of those activities.

Part 8: Improvement of Green Areas

Article 47. The green areas and places of recreation are maintained and improved by the communal economy units with strict observance of the legally approved town-planning outlines and specifications.

Article 48. With extensive aid from the citizens, the communal economy units take measures for:

a. Preservation and protection of the existing vegetation and embellishment of the green areas and places of recreation;

b. Production of the tree and flower planting stock needed for the green areas and priority development of shrubs and perennial plants;

c. Maintenance of the surfaces and banks of the recreational lakes and of the other lakes and marshes under the communities' administration;

d. Maintenance and operation of the pleasure craft and other facilities for cultural-educational events.

Section V: Citizens' Participation in Communal Economy Activities

Article 49. The residents of municipalities, cities and communes participate in the adoption and implementation of all measures concerning the self-government of the communities and their modernization, embellishment and municipal development.

Citizens attend the assemblies legally organized to discuss the programs for the communities' technical-municipal development and the people's councils' reports on the communal economy, and they participate in the adoption of decisions concerning the municipal projects to which the public contributes materially and in labor, and in the discussion of all problems concerning the good management of the community.

Article 50. For purposes of implementing municipal projects, it is the duty of the workers to participate with their labor, tools, draft animals and other resources of their own, according to the nature of the operations, in the actions organized by the people's councils with the aid of the deputies, permanent commissions, citizens committees and tenants associations.

In order to meet general needs of the communities, the residents pay the legally set communal fees and make the cash contribution determined in the citizens assemblies to implement projects in the public interest.

Article 51. The tenants associations, as organized forms of citizens' participation in good management and maintenance of dwellings and in various municipal projects, are required to take steps to mobilize their members and persons residing with them for actions to improve, maintain and embellish the green spaces and children's playgrounds and for cleaning sidewalks and walks, removing snow and ice, planting trees, and other such actions.

The general assemblies and committees of tenants associations regularly control their members' (landlords or tenants) observance of the regulations on conservation of drinking water, heat and electric power, and natural gases, taking the necessary measures to eliminate any losses or any kind of waste.

Article 52. The workers control teams perform, according to law, their functions of control in the communal economy units over the activities of thermal energy and water supply, public transportation, sanitation, improvement and maintenance of parks, public gardens and green spaces, collecting, storing, sorting and exploiting reusable material resources, and other communal economy activities.

Citizens have the right to notify, according to law, the competent organs of any defects in communal economy activity and to make suggestions to eliminate them and to improve the activity.

Article 53. The main communal economy activities implemented with the citizens' participation are:

a. Projects for water supply, installation and maintenance of new water sources, construction of draw wells, wells, catchments at springs, intakes and other such projects;

b. Improving and regularizing watercourses, building and maintaining dikes, and other projects for protection against floods;

c. Maintenance and repair of streets, roads, ditches, bridges and footbridges;

d. Street cleaning, snow removal, draining swampy lands, and shoring sliding lands;

e. Maintaining green areas, places of recreation, athletic fields and children's playgrounds; planting fruit trees, melliferous species, trees, shrubs and flowers;

f. Collecting reusable materials and storing and sorting them at the designated points;

Article 54. Residents of municipalities, cities and communes are responsible for keeping their own households clean as well as the premises of residential buildings and the adjoining sidewalks and streets, for maintaining the appearance of dwellings and premises and caring for the plantings in yards and in front of the buildings. They are also required to participate in rat and insect control operations.

Citizens are also required to give the collection units used materials and articles that are no longer needed in their own households and to deposit household wastes in the designated places and to keep those places clean.

The obligations specified in the first paragraph concerning maintenance of cleanliness, appearances and hygienic conditions apply correspondingly to the socialist units as well.

Article 55. Citizens using the heat and water lines and sewerage connections have the following obligations:

a. To observe the technical standards for the proper operation of those installations and the measurement and control devices and to prevent their deterioration;

b. To contribute to conservation of the supplied heat and water by eliminating any kind of waste of them;

c. To keep the manholes of the installations clean and accessible;

d. To allow personnel authorized by the management of the communal economy units access to the manhole and installations to effect control, record consumption, and perform maintenance and repair operations.

Section VI: Relations of Communal Economy Units with Citizens and Socialist Units and Other Juristic Persons

Article 56. In order to meet the citizens' requirements, the communal economy units in municipalities, cities and communes have the following main obligations:

a. To respond promptly to the citizens' requests and to resolve the petitions, suggestions and notices based upon them;

b. To take measures for prompt implementation of operations and remedial actions requested by citizens and for immediate restoration of temporarily interrupted services;

c. To provide drinking water, heat and the other utilities according to the legally set standards as well as sewerage, removal of household wastes and other continuous or periodic communal economy services;

d. To take measures for further improvement of communal economy services according to the residents' demands.

Article 57. In the performance of their functions the communal economy units:

a. Issue permits or agreements according to law to perform communal economy services and operations and to construct interior water supply, heat and sewerage installations.

b. Set the terms for the use of lands above or adjoining water supply, heating, sewerage and transport constructions or installations, or they prohibit the holders of said lands from performing any operations or storing materials that might impair the efficiency of those constructions or installations.

c. Place restrictions on consumption of water or thermal energy or cut off the supply of same in cases of force majeure or irrational or abusive use, promptly notifying the beneficiaries.

d. Install supports, moorings and dials for communal economy networks and installations on buildings and other constructions regardless of the titles whereby they are held.

e. Remove, in accordance with the legal standards, branches, roots and shrubs if their proximity to the municipal networks and installations might cause damage or impair their efficiency.

For purposes of control over the performance and technical condition of the communal economy installations and for their maintenance and repair, personnel authorized by the communal economy units also have access to constructions on the premises of their holders, on the terms specified in the contract.

If the communal economy units cause any damage by the way they perform their functions, the injured party will be compensated according to law.

Article 58. Construction of new networks for water supply, sewerage, distribution of heat and electric power, transportation and other communal economy activities as well as development of existing networks are implemented according to a uniform plan, on the terms and with the approvals provided by law, with grouping of the lines, avoidance of crossings, and strict observance of the legal standards for use of the land and systematization of the municipal networks so as to eliminate repeated interference with the structure of the public thoroughfares or their deterioration.

Individuals or juristic persons are required to permit temporary use, according to the legal provisions, of the lands they hold for purposes of maintenance or repair of the constructions and installations for water supply, heating, sewerage, sanitation, transportation and other communal economy activities.

Article 59. Agricultural lands or those in the forest reserve are occupied for use by the communal economy units in the performance of their functions only with the

approval and on the terms provided by law for withdrawal from crop production or from the forest reserve, so that the operations will be performed as a rule in the periods when the agricultural lands are not being harvested.

Urgent emergency operations to repair breakdowns or disturbances in the communal economy constructions or installations located on agricultural lands or those in the the forest reserve may be performed immediately, with notification of the holders of those lands.

In the cases specified in the second paragraph, the communal economy units will ask the executive committees of the county or Bucharest municipal people's councils, within 24 hours of the occurrence of the breakdowns or disturbances, to approve continuation of the emergency operations. Approval is granted within 48 hours of the request.

Article 60. The communal economy units will pay rent for temporary use of lands for more than 30 days regardless of the holders of the lands.

The rent for state-owned lands is equal to the fee for use of the lands specified in Annex No 2 to Law No 59 of 1974 on the Land Reserve. In the case of lands held by economic units required to pay a fee for their use, the rent will be paid on account of said fee.

For lands owned by cooperative organizations or other individuals or juristic persons, the executive committees of the county and Bucharest municipal people's councils will set rates for the annual rent, not to exceed the maximum rate provided by the legal standards for the areas of yards and gardens not rented along with the dwellings.

Article 61. Upon completion of the operations, the communal economy units are required to restore the affected lands and capacities to the condition in which they were before the start of those operations.

Article 62. The supply of drinking and industrial water and thermal energy, reception of used household waters and rainwater in the public sewerage network, removal of household, street and other wastes of the same category, and other continuous or periodic communal economy services will be implemented on the basis of a contract concluded between the communal economy units and the beneficiaries.

The contracts concluded with juristic persons or individuals benefiting by water supply or sewerage services will include clauses concerning the quantity and quality of the supplied or evacuated waters as well as the measures to be applied according to law in case of violation of those clauses.

If the beneficiaries are individuals or juristic persons other than the socialist units, the contract is concluded with payment of a sum in advance not to exceed the value of the average consumption or the service for a period of 45 days.

The sum payed according to the third paragraph is returned upon conclusion of the contract after the debts due are subtracted.

Article 63. The communal economy units have the sole right to perform operations for water supply, heating and sewerage lines or connections and to install measurement and control devices. In case of expansion of the municipal networks, these

operations may also be performed by the construction-installation units with the previous agreement of the communal economy units.

The entire cost of the lines, connections and measurement and control devices, calculated at the prices applicable to the state socialist units, is paid by the holders of the right to ownership or administration of the buildings where such operations are performed.

The lines and connections installed on the terms of the present article as well as the measurement and control devices are entered as fixed assets in the communal economy units' inventories, and the outlays on their repair or replacement are paid out of those units' funds.

Article 64. Water and thermal energy consumption is regularly determined on the basis of the recordings of the measurement and control devices. Until those devices are installed, consumption is determined on a flat-rate system by comparison with the consumption of similar subscribers equipped with such devices and according to the criteria set by the Committee on People's Councils' Problems.

If there is just one measurement and control device for several beneficiaries, they may install such devices at their own expense in order to settle the consumption of each among the beneficiaries.

The socialist units are required to procure the measurement and control devices for the services specified in the first paragraph out of their own funds and to request the communal economy units to install them.

Article 65. The socialist units are required to make, according to the legal provisions, their catchments of drinking water if the nature of the production requires it (or those of industrial water) and to maintain the sources of drinking water in operating condition, while meeting the requirements for potability.

To make the most rational use of the water received, the socialist units connected to the public networks for drinking and industrial water supply are required to take measures to reduce their consumption of water by repeated use of it, to conform to the approved discharges, to replace drinking water with industrial water in the production process, to use their own water sources to full capacity, and to keep their internal installations in operating condition while observing the technical standards in force.

The socialist units also participate in municipal projects in accordance with the legal provisions.

Article 66. Communal economy services are paid for according to the legally set rates.

The sums to be paid for communal economy services rendered on the basis of a written contract are determined monthly or quarterly. Sums owed by socialist units can also be paid every 10 days or fortnightly, and the payments will be regularized at the close of the past month or quarter.

Article 67. Individuals and juristic persons other than socialist units benefiting by communal economy services are required to pay the value of the invoices within 5

days of receipt of the bill. Payment may also be made out of current accounts at the Savings and Loan Bank or the bank units.

Late payment of the sums due after the due date has expired entails an increase of 1 percent for each day of delay.

If the sums due, including the increases, have not been paid within 40 days of the expiration of the time limit specified in the first paragraph, the communal economy service unit may suspend execution of the contract.

Article 68. Holders of the right of use over buildings which have no water supply or sewerage installations but which are located near streets equipped with public drinking fountains and sewerage networks are considered de jure subscribers to these services and are required to pay for them according to the criteria set by the Committee on People's Councils' Problems.

Holders of the right of use over buildings not benefiting by the service of removal of household, street and other wastes of the same category are considered de jure subscribers to that service and are required to pay for it.

Section VII: Final Provisions

Article 69. The Committee on People's Councils' Problems provides for uniform implementation of the party and state policy on the communal economy and functions as a central coordinating organ for the national economy in that field.

In performance of its functions, the Committee on People's Councils' Problems collaborates with the ministries and other central organs concerned and issues technical standards for operation and maintenance of communal economy constructions, installations and equipment and for control of their operatio as well as standards for construction, modification, inspection and repair of the interior water, sewerage and heating installations constructed by the socialist units qualified for such operations and by the authorized installers.

Communities' cemeteries and crematories are administrated according to the standard regulation prepared by the Committee on People's Councils' Problems jointly with the Ministry of Health.

Article 70. Communal economy units organized on the principles of workers self-management and economic-financial self-administration draft , according to law, their own budgets of incomes and oulays, which are integral parts of the local budgets.

Article 71. Communal economy units are organized according to the volume and complexity of their activities, under the county and Bucharest municipal people's councils and in accordance with the legally set uniform structural standards.

Communal economy subunits are also responsible for their activities to the people's councils of the communities wherein they operate.

Article 72. Offenses against the communal economy are determined and sanctioned by decree of the State Council.

Article 73. Violation of the provisions of the present law entails disciplinary, material, civil or criminal liability as the case may be.

Article 74. The present law goes into effect 90 days from the date of publication in BULETINUL OFICIAL.

Law No 129 of 1938 on Organization of Communal Operations, amended in MONITORUL OFICIAL No 48, 26 February 1944, with the subsequent modifications is abrogated as of the effective date of the present law, as well as any other previous legal provisions on the subject regulated by the present law.

This law was ratified by the Grand National Assembly in the session of 1 July 1981.

Chairman of the Grand National Assembly
Nicolae Giosan

Bucharest, 1 July 1981
No 4

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PROBLEMS IN INTEGRATING NEW INDUSTRIAL TECHNOLOGY DISCUSSED

Bucharest SCINTEIA in Romanian 4 Aug 81 pp 1.3

[Article by Engr Ion Crisan, director general of the Central Institute for Machine Building]

[Text] The address of the party secretary general to the Second Congress of Working People's Councils again emphasizes that a task of research in the machine building industry under this five-year plan involves a more active input into raising the technical and qualitative level of production, into enhancing automation and control of production processes, stepping up the mechanization and automation of production. These lines of technological progress certainly raise specific problems that need to be resolved at a qualitative level which is superior to that reached in the prior stage.

The close link between organization and technological progress is a basic feature of modern production processes. It stems from the fact that — in the context of modern technology, which involves very sophisticated facilities — technological progress does not mean only putting into operation a machine or a production line. Integrating new technology does not limit itself to assimilating a new specific procedure. Actual capitalization on a stage of technological progress involves creating the appropriate technological system, in other words, integrating new technology into the economic body that is supposed to apply it.

An example of improper assessment of this link is provided by the manner in which some machine building enterprises are utilizing the numerical control machines. These machines involve outstanding advances of modern technology because the use of numerical control permits the highly accurate automatic processing of most sophisticated parts. Nevertheless, many numerical control machines in enterprises operate as conventional machines, hence without profiting of the advantages offered by the new technology with which they were provided. Examination of the causes of this situation points out to neglect of some organizational conditions that are [illegible]teristic of this technology, notably: structuring and expansion of programming, including computer-aided programming; provision of the required tools, including the facilities for preparing these tools; ensuring of current maintenance, including complex electronic equipment. All these conditions are largely dependent on the training of the specialized personnel needed. The positive impact of adequate organization can be noted at enterprises such as Brasov "Hidromecanica" or Bucharest Heavy Machinery Enterprise which make intensive use of the numerical control machines with which they have been provided.

Another example involves mechanization and automation of assembly. It is known that mechanized and automated assembly can result in great labor savings, with a very positive impact on the quality of output. However, not all machine building enterprises are making the efforts needed for the application of a superior assembly technology. In such cases, the search for "objective causes" in the inadequate size of manufacturing series should be replaced by careful study of the organizational conditions required. Experience has shown that greater structural standardization and rationalization of production programs can bring the batches of products or component assemblies to the level required for moving to mechanized assembly. But use of this highly efficient technology necessitates a set of organizational measures regarding smooth provision of parts and the quality of execution of parts. It is evident that a modern assembly line can operate only if each work station is timely provided with all the necessary components, and this involves proper coordination of the entire production process. The procedure still found in some enterprises, that involves partial assembly, while waiting for backlogged supplies, is very damaging to the efficiency and quality of production. Moreover, mechanized and automated assembly requires constantly good quality parts. Accidental correction and adjustment procedures in line cannot be accepted; these procedures can be avoided by accurately machining the parts and by introducing corresponding procedures of trimming, checking, sorting, and so forth. Only in this way modern assembly technologies also act as discriminating filters in terms of output quality.

Beyond these specific examples, there are overall organizational requirements designed to structure the framework needed for actively promoting technological progress in industry. These requirements flow from the guideline of modern technological organization, according to which one can economize simple labor only by some expending of complex labor. The main requirement involves adopting a dynamic, flexible concept on technology. Technology does not involve -- as some engineers still believe -- an accumulation of given conditions, but a means to produce better, swifter and cheaper. The proper technical provision with equipment of our enterprises can be better utilized by continuous modernization of technology. In this context, the role of technologists in institutes and enterprises is very important. They must work hand in hand so that new technological systems, after formulation and testing in institutes, may as rapidly as possible be used in the greatest possible number of enterprises. This activity of tailoring the new technologies to the specific conditions in each enterprise, of technically and organizationally integrating technological progress in each individual case involves a large volume of work done by the engineer, to which we must pay increasing attention and from which we must demand more and more. The manner in which this integration is handled ultimately reflects the flexibility of the industrial system, respectively, its adaptability to the dynamic requirements of our economy.

The best results were obtained where the problems of technological modernization were not assigned only to the technical development departments but from the start involved a complex program for all the work collective, with the multiple aspects involved in the promotion of technological progress.

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REDUCED 46-HOUR WORKWEEK TIED TO PLAN FULFILLMENT

Bucharest ROMANIA LIBERA in Romanian 4 Aug 81 pp 1, 3

[Interview with Apostol Sima, director of the Directorate for Organization and Standardization of Work in the Ministry of Labor, by Mircea Scripca]

[Text] Participants in the session of the Political Executive Committee of the Central Committee of the RCP held on 14 July 1981 examined the status in implementation of the decisions of the Central Committee of the RCP, the National Council of Working People and the directives of party secretary general Nicolae Ceausescu, regarding the overall application this year of the reduced 46-hour workweek and also the measures which should be taken to switch, by the end of the five-year plan, to the 44-hour workweek in all the sectors of activity. In regard to the results obtained so far in this important project, to the measures envisioned, and to the tasks allotted all the parties involved, we requested details from Apostol Sima, director of the Directorate for Organization and Standardization of Work in the Ministry of Labor.

[Answer] Reducing the length of the workweek is an essential goal of our party policy, for the continuous upgrading of the material and spiritual well-being of all our people, for the full assertion of human individuality. According to the Program approved by the December 1977 National Conference of the RCP and the decisions of the 12th Congress of the RCP, beginning in January 1978 we started, on a phased basis, the program for reducing the workweek from 48 hours to 46 hours and granting one day off a month to the workers in socialist units.

For completion of the tasks under the Program for reducing the workweek, the ministries, the central and local bodies, the industrial centrals and economic units, with the participation of trade unions and under the leadership of party organs and organizations, worked out local programs to ensure conditions for switching to the reduced workweek, by a better organization of production and work, by assuring the technical and material base, better utilization of the work time.

[Question] How many working people has this program encompassed so far?

[Answer] More than 75 percent of all workers. Naturally, benefitting of the monthly day off have been the units that have properly organized their work and have attained the indicators involved. We must also point out that there have been enterprises which, because of shortcomings in organization of production and work, in the area of technical and material supplies, in utilization of production facilities and work force, and

because of insufficient support from ministries and industrial centrals, did not attain the indicators set and, hence, were not able to benefit of the day off during the period involved.

For the purpose of switching, in the overall economy, to the reduced 46-hour workweek, the Central Council of the General Union of Trade Unions, in conjunction with the leading bodies of ministries and other central organs, has structured projects to support enterprises and centrals in updating and supplementing the programs of measures, to ensure the conditions needed for completing the plan assignments, in the context of the reduced workweek. This drive has encompassed all units in industry and the other economic branches. In light of the specific activity of each unit, there were formulated more than 28,000 measures, whose efficiency, assessed at some 486 million man-hours, results in raising hourly labor productivity this year more than 4.2%, needed to fulfill the production tasks with the number of workers planned in a shorter span of time.

[Question] What details can you provide in relation to the application of the 46-hour workweek on an overall scale?

[Answer] According to the criteria established, the day off will be granted by enterprises on the basis of monthly attainments or attainments accumulated from the beginning of the year, in terms of the following plan indicators: value of the marketable output sold and paid for; industrial output in physical units; labor productivity calculated on the basis of the net output; quality of output; exports, including deliveries for export, established under cooperation, of subsupplier units; maximum expenses for each 1000 lei in marketable output.

As a rule, the day off is granted to all workers of the enterprise, on the first Saturday of the month. If during specific periods the conditions characteristic of the activity in some enterprises require that it run continuously (in agriculture, forestry, construction, food industry, tourism, and other seasonal endeavors) the day off is granted on another day of the month, or based on accumulation during the periods with slower business.

Personnel in industrial centrals, in ministries and the other central and local organs will be granted one day off a month, if all plan indicators set for the reduced workweek, for the entire central and respectively, ministry, central or local organ, are attained.

Application of the reduced workweek in transportation, services, trade and other fields of endeavor will proceed in such a manner as to ensure smooth unfolding of activity.

[Question] What needs to be done for completion of tasks tied directly to the application of the reduced workweek on an overall scale?

[Answer] A very important factor involves discussion -- at the general assemblies of working people which are being held during this period -- of the specific avenues to completing these tasks, for the application of the reduced 46-hour workweek. Based on the surveys conducted, the proposals of working people, measures will be adopted geared to result in attaining the plan indicators set, in meeting the criteria for the application of the reduced workweek on an overall scale.

As pointed out at the meeting of the Political Executive Committee of the Central Committee of the RCP, held on 14 July 1981, it must be understood that for the reduction of the workweek, it is necessary to obtain the identical production in a shorter period of time, and this requires constantly dovetailing the work rates with the technical-organizational measures introduced, designed to additionally increase labor productivity.

The conditions exist for the application of the reduced workweek in all the economic branches. For this the collectives of working people in units must firmly move to scientifically structure production and work, to responsibly implement the measures pertaining to reduction of auxiliary and unproductive personnel and transfer of this personnel to productive activities, expanding operation of several machines, intensive utilization of machines and installations, mechanization and automation of processes, and improvement of skills in all categories of personnel.

To this end, all workers must be involved in exemplarily fulfilling the plan assignments for all indicators, strengthening order and discipline in all the fields of endeavor, continuously reducing the operating costs and the consumption rates for energy, fuel and raw materials.

The ministries will monthly analyze the status in implementing the measures under the programs worked out for the application of the reduced workweek and will promptly resolve the problems which the enterprises confront in this drive. The Ministry of Labor, the State Planning Committee and the Central Directorate of Statistics, in conjunction with the Central Council of the General Union of Trade Unions, will closely monitor the implementation of the programs for the application of the reduced workweek on an overall scale, supporting the units in attaining the goals prescribed.

For the purpose of moving, by the end of the five-year plan, to the reduced 44-hour workweek, it is necessary to take specific measures in advance in order to ensure the conditions required for granting -- on a phased basis -- two days off monthly.

The entire activity for the application of the reduced workweek on an overall scale will proceed under the direct leadership of party organs and organizations, and steps will be taken to involve all working people in implementing the programs outlined.

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